

## **Welcome – Kevin McHugh**

Kevin opened the meeting with welcome remarks and covered agenda items for today. Overview of handouts all in “Draft”.

## **Michael Weld covered the following Payroll reminders:**

### **LCM/NewMMARS**

The new Labor distribution and accounting system will be implemented prior to the close of FY2005

### **Early Retirement Payments**

ERIP 1 – all early retirement employees from the first ERIP phase would be paid their 3rd and final payments in paycheck 7/16/04. Departments were instructed to terminate these employees after the run of this payroll.

ERIP 2 – employees who participated in the 2<sup>nd</sup> early retirement phase ensure entries are for the **first** FY05 payment. These payments are **not** to be processed in FY2004

He also instructed departments to be aware of common mistakes entered in the Additional Pay Panel such as incorrect end dates and/or goal amounts and to also verify the OKAY to Pay box is checked in this panel.

Also make sure correct termination code is used on the JOB data panel and the correct earnings code and amounts are entered.

### **Medicare**

Departments are reminded of their responsibility to ensure their employees Medicare status is consistent and accurate per the Commonwealth Payroll Expenditure Policy manual.

Report HMTAX010 – Medicare Tax report - is available as a tool for analytical and tracking purposes.

Departmental action can be found on the OSC website for guidance.

*Note:* Colleges especially need to pay close attention to their seasonal employees. When rehiring back they need determine if in fact the break is considered a break in service per the IRS Medicare guidelines.

### **Accounts Payable**

All FY2004 A/P transactions will be processed through the current HRCMS, PCRS and MMARS systems.

Departments should reserve funds in May & June to be able to pay all employees in FY2004. This will decrease A/P payments processed in FY2005, which will assist in a smoother transition into LCM.

Accounts payable earnings codes will be available after the Split week payroll.

**Split Week**

Instructions will be distributed.

**Garnishment Orders**

It is the department's responsibility for managing their Garnishment orders.

Departments need to ensure documentation is accurate before submitting in a timely manner to OSC.

OSC is solely responsible for entering the order also in a timely manner based on the information the dept provided.

Employee or payee should not be calling OSC directly. Communication should begin with the department.

**W2 reprints**

Most departments have security to reprint W-2 via the Document Direct Instructions were touched upon how to reprint a W2 and to refer to the OSC website for detailed instructions.

OSC will print W2 on the departments behalf only if department does not have the security or is unable to access Document Direct.

**W-2c and W-3c**

Departments and employees are responsible for filing their copy of the form to correct the W2.

Reasons why correction to a W2 would be needed is the wrong name issued, incorrect SSN number and or/ incorrect earnings and amounts on an already issued W2.

OSC is a clearinghouse for all W-2c's and W-3cs.

To obtain more information departments were instructed to refer to the OSC website.

**Kevin McHugh** – Presented an LCM implementation timeline of events to give the departments a general idea of what is coming and to assist in their readiness and planning.

The timeline consisted of various tasks, which will be executed by the NewMMARS team, Departments and LCM/CTR team.

**Contractor Employee Payroll**

Kevin discussed contractor cleanup process in the HRCMS system. There are approximately 14,000 active records in HRCMS with invalid SC's. A majority of these records have not had any payroll activity in the past 2 years.

Once identified, OSC will distribute to the department a listing of inactive records. Departments will verify which records may be inactivated (terminated) in HRCMS.

Reason is for data cleanup in HRCMS. This cleanup process is planned sometime in mid April.

All 'CN' and 'SP' position types will be converted to 'CN' position type. He also informed departments that contractors will be paid through the LCM system. This will eliminate the need for an encumbrance thus eliminating the MMARS Contract Information panel in HRCMS.

**Joan Shea** - In comparison to PCRS, LCM will have processing payroll smoother.

Departments, which currently process multiple exceptions on the Labor distribution level, will in LCM be able to set up a new function called "Profiles". This will enable the dept to enter multiple distributions once for numerous employees instead of individually. This will alleviate data entry.

Home Unit is new HRCMS functionality that is used for distribution purposes. This is a new field in HRCMS JOB, which can be used to differentiate between Position Assigned Dept ID and Distribution Org. Its important to note that not all departments will use Home Unit Distributions, in these cases Home unit will be populated with the same Dept Id information.

For instance, an employee hired at Dept ID ABC1000 can have charges hit distribution org 1234 by entering 1234 in the Home Unit Field. Security will still be by HRCMS Dept ID.

To help prepare there is an advocate assigned to each department which can help with any business questions.

**Rick Keyes** - queried departments about eliminating the 640 series payroll MMARS reports in Document Direct. The alternative to retrieve data in these reports would be through the Commonwealths Information Warehouse.

There was some resistance from departments to using the warehouse. They preferred to keep the reports available in Document Direct.

Kevin suggested standard queries could be created for department to access on the CIW Website, which would be reports equivalent to the Document Direct reports.

A decision was not finalized and he will follow up with departments on this issue.

Kevin McHugh closed with miscellaneous announcements. One of the announcements was regarding PMIS & CAPS data.

It was brought to OSC's attention that to access these systems for reference purposes you need to go through PCRS. Since PCRS will be replaced with LCM how will departments access PMIS and CAPS??

Kevin informed departments a short-term solution was being looked into and possibly a long-term solution to reference the data from these systems will most likely be through the Commonwealth Information Warehouse.

## **Q & A**

**Question:** HRCMS has been very slow on the Friday and Mondays prior to the Tuesday payroll-processing day.

**Marty Benison:** We are aware of this issue and a plan is being put together to do an analysis with various departments. Project will entail going to locations to determine if problem is due to connectivity or VPN.

He instructed departments when system is slow to log in with helpdesk. This will assist in determining which departments are having slow response.

**Question:** When will LCM training begin for departments?

**Kevin McHugh:** A training schedule is in place and will be distributed to departments.

**Question:** How will employee reimbursements be treated?

**Kevin McHugh:** Employee reimbursements will be processed through HRCMS and will be identified with specific earning codes entered via Weekly Elapsed Time or through the Additional Pay panel, which would be a departmental preference.

**Question:** Will employee reimbursement be identified on paycheck/pay stub?

**Kevin McHugh:** Yes